

San Diego Integrated Regional Water Management Implementation Grant Proposal Authorization and Eligibility Requirements

Attachment 1 consists of the following items:

- ✓ **Authorization and Eligibility Requirements.** This attachment consists of authorizing documentation, eligible applicant documentation, Groundwater Management Plan (GWMP) compliance, Urban Water Management Plan (UWMP) compliance, AB 1420 and water meter compliance, groundwater monitoring program, consent form for IRWM Plan Update, and consistency with the adopted IRWM Plan.
- ✓ **Resolution.** Resolution 2010-19 authorizes the San Diego County Water Authority to submit this San Diego IRWM Implementation Grant Proposal and execute an agreement with the State of California for IRWM planning activities (see Appendix 1-1).
- ✓ **Memorandum of Understanding.** The adopted *Memorandum of Understanding for the Integrated Regional Water Management Grant Program for FYs 2009-2013* gives the San Diego County Water Authority overall responsibility for managing the San Diego IRWM program and submitting all applications to the State on behalf of the parties (see Appendix 1-2).
- ✓ **Consistency with San Diego IRWM Plan.** To demonstrate consistency with the 2007 San Diego IRWM Plan, this proposal includes the IRWM Plan Amendment addressing the addition of new projects to the project list, the Proposition 84 Project Selection Workgroup Suggested Criteria for Workgroup Consideration, and the package of recommended projects that were recommended through the project selection process for this proposal (see Appendix 1-3).

Authorizing Documentation

Resolution 2010-19 was adopted by the San Diego County Water Authority Board of Directors on December 9, 2010 and authorizes the Water Authority to submit this San Diego IRWM Implementation Grant Proposal and execute an agreement with the State of California for IRWM planning activities (see Appendix 1-1).

Eligible Applicant Documentation

This *San Diego IRWM Implementation Grant Proposal* is being submitted by the San Diego County Water Authority (SDCWA). Per the adopted *Memorandum of Understanding for the Integrated Regional Water Management Grant Program for FYs 2009-2013*, the Regional Water Management Group (RWMG) – comprised of the City of San Diego, the County of San Diego, and SDCWA – determined that SDCWA shall have overall responsibility for submitting all applications to the State on behalf of the parties (see Appendix 1-2). SDCWA is also submitting this grant proposal on behalf of the following non-RWMG entities:

- Jacobs Center for Neighborhood Innovation
- City of Santee
- San Diego Coastkeeper
- Rural Community Assistance Corporation
- Olivenhain Municipal Water District
- San Elijo Joint Powers Authority

SDCWA's qualifications as an eligible applicant in accordance with IRWM Program Guidelines are as follows:

1. SDCWA is a local agency as defined in Appendix B of the IRWM Grant Program Guidelines. SDCWA is the regional water wholesale agency within San Diego County, whose mission is to provide a safe and reliable supply of water to its 24 member agencies.
2. SDCWA is a county water district organized and existing under Division 12, commencing with §30000, of the California Water Code. SDCWA was organized under the County Water Authority Act of 1943 to serve as the San Diego Region's water wholesaler.
3. SDCWA has legal authority to enter into a grant agreement with the State of California. Per the adopted *Memorandum of Understanding for the Integrated Regional Water Management Grant Program for FYs 2009-2013*, the RWMG determined that SDCWA shall have overall responsibility for submitting all applications to the State on behalf of the parties (see Appendix 1-2). Resolution 2010-19 authorizes SDCWA to submit this San Diego IRWM Implementation Grant Proposal and execute an agreement with the State of California for implementation of identified water resource projects (see Appendix 1-1).
4. SDCWA, the City of San Diego, and the County of San Diego jointly developed and adopted a *Memorandum of Understanding for the Integrated Regional Water Management Grant Program for FYs 2009-2013* (see Appendix 1-2). This MOU replaced the original MOU (dated June 13, 2005), as amended, between SDCWA, the City, and the County for FYs 2005-2009 of the IRWM Grant Program which formed the RWMG and directed the development of the 2007 IRWM Plan. Section 3a of the MOU states that the "Water Authority shall have overall responsibility for administering the Proposition 50 Program grants in the San Diego Region unless other mutually agreeable arrangements are made with the granting agencies or among the Parties. Administrative tasks include contracting with the State and Parties, coordinating and submitting reports, and responding to any audit requests by the granting agency." Should the San Diego IRWM Region receive a Proposition 84 Implementation Grant, the MOU will be amended to define roles and responsibilities for management of Proposition 84 grant funds.

GWMP Compliance

None of the eleven projects included within this *San Diego IRWM Implementation Grant Proposal* require compliance with or development of a GWMP, because they would not involve groundwater management or recharge. These projects fall within the categories of natural resources and watersheds, water quality/stormwater, water supply, recycled water, and other. As such, these projects do not propose any direct action with regards to groundwater, and would not directly impact groundwater, either positively or negatively.

UWMP Compliance

There are three urban water suppliers included as project proponents within this *San Diego IRWM Implementation Grant Proposal*, including: SDCWA, City of San Diego, and Olivenhain Municipal Water District. As required by the Urban Water Management Planning Act (CWC §10610 *et seq.*), each of these agencies submitted and received approval by the Department of Water Resources (DWR) of a complete 2005 UWMP. Each of these entities will continue to comply with the Act by submitting a 2010 UWMP to DWR by the July 1, 2011 deadline. Per these requirements, the three water suppliers listed above are currently eligible to receive grant funds.

AB 1420 Compliance

As defined in the *IRWM Grant Program Guidelines*, AB 1420 conditions the receipt of IRWM grant funds on implementation of demand management measures in compliance with CWC §10631. There are three urban water suppliers included in this grant proposal which must also comply with AB 1420 requirements: SDCWA, City of San Diego, and Olivenhain Municipal Water District. Per these requirements, each water supplier has submitted AB 1420 compliance forms (see Attachment 13).

Water Meter Compliance

As defined in the *IRWM Grant Program Guidelines*, CWC §529.5 requires urban water suppliers applying for IRWM grant funds to demonstrate that they meet the State's water meter requirements. There are three urban water suppliers included in this grant proposal which must also comply with Water Meter requirements: SDCWA, City of San Diego, and Olivenhain Municipal Water District. Per these requirements, each of these water suppliers has submitted Water Meter compliance forms (see Attachment 13).

Groundwater Monitoring Program

As defined in the *IRWM Grant Program Guidelines*, CWC §10920 establishes a groundwater monitoring program designed to monitor and report groundwater elevations. The RWMG has been coordinating with local water suppliers in the San Diego region to identify the appropriate reporting entity for eligible groundwater basins.

IRWM Plan Update Consent

Projects included within this grant proposal are part of the 2007 San Diego IRWM Plan, which meets the condition of being adopted before September 30, 2008. As amended January 13, 2010, the San Diego IRWM Plan allows for periodic updates to the list of water management projects as new funding opportunities arise (see Appendix 1-3). The San Diego IRWM project list is currently hosted online at: <http://irwm.wrime.com/sdirwm/login.php>. The RWMG is committed to entering into a binding agreement with DWR to update the Plan within two years of the assumed award date of the grant (by June 1, 2011) to meet the IRWM Plan standards contained in the Guidelines (see Attachment 14). In addition, the RWMG has undertaken all reasonable and feasible efforts to take into account water-related needs of disadvantaged communities (DACs) within the San Diego IRWM region.

Consistency with Adopted IRWM Plan

Projects included within this grant proposal are part of the 2007 San Diego IRWM Plan. As amended January 13, 2010, the San Diego IRWM Plan allows for periodic updates to the list of water management projects as new funding opportunities arise (see Appendix 1-3). The San Diego IRWM project list is currently hosted online at: <http://irwm.wrime.com/sdirwm/login.php>.

The IRWM project list is now available 'live' on the online project database for project sponsors to review and update at any time. Any project sponsor may submit a project for inclusion in the Plan and/or an upcoming grant opportunity. This makes it easier for sponsors to add or revise projects, integrate their projects with others, or add additional features so the projects provide multiple benefits. As funding opportunities are pursued, the RWMG announces a new 'Call for Projects' with a submittal deadline. The Project Selection Workgroup then reviews, ranks, and tiers the submitted projects and recommends which ones to include within a specific grant application. All grant applications, including proposed funding package, are submitted to the Regional Advisory Committee (RAC) for its consideration and recommendation. The ultimate approval of the application and funding package lies with SDCWA's Board of Directors, the agency authorized to submit grant applications on behalf of the RWMG.

The Project Selection Workgroup selected by the RAC extensively reviewed and ranked all projects submitted to the online project database by the August 2, 2010 deadline. Each project submitted by August 2, 2010 was ranked using the *Prop 84 Project Selection Workgroup Suggested Criteria for Workgroup Consideration* (Appendix 1-3), which was reviewed and approved by the RAC at a public meeting, and developed through an open and transparent process. Each project submitted within this grant proposal was prioritized and recommended by the Project Selection Workgroup, with the final decision regarding the funding package voted upon by the RAC at a public meeting. Appendix 1-3 also contains the recommended package of projects that was put together by the Project Selection Workgroup, and meeting notes from the RAC meeting where the funding package was voted upon.

Section F of the IRWM Plan describes the prioritization process used to identify a top tier of priority projects. While this process ranked projects based on ability to address regional objectives and other criteria, the process does not identify specific groups of projects for which funding should be sought. The

reason for this is twofold: first, prioritizing projects for a specific funding application in the Plan would limit the versatility of the prioritization process for use in identifying projects for future funding opportunities; and second, as the IRWM Plan is intended to be a living document, the prioritization process should remain flexible, such that it may be adapted to changing regional needs.

A supplemental prioritization process is implemented to identify appropriate projects from the Tier 1 project list to be included in future funding applications as they arise. This process was used in the selection of projects for this *San Diego IRWM Implementation Grant Proposal*. The details of this process are fluid, and should reflect the specific needs and requirements of the given funding opportunity. The following were included as criteria for prioritizing high priority projects for inclusion in funding applications.

- *Program Preferences.* Funding programs frequently outline specific goals and objectives.
- *Regionalism.* Projects with Region-wide beneficiaries may be preferable to those with only local beneficiaries when applying for funding as a region.
- *Degree of Benefit.* The degree and scale of benefit provided by a project may be an important deciding factor in prioritizing projects for funding.
- *Degree of Negative Impact.* Though a project may provide significant benefits, the degree and scale of negative impacts caused by a project may be an important factor in prioritizing projects.
- *Contribution to Measurable Targets.* Contribution to achieving the region's specific, measurable targets for several areas of water resources management.
- *Cost-effectiveness.* Both short- and long-term cost-effectiveness, as well as potential externalized costs to the public, may be a factor for consideration in prioritization.
- *Readiness to Proceed.* Some funding opportunities require projects to be at a specific point in development, while other opportunities may be targeted toward planning-level projects.
- *Amount Leveraged.* This ability to leverage other projects and/or funding is one potential screening criterion considered in developing a funding application.

As appropriate, the Project Selection Workgroup incorporated these and other prioritization criteria to narrow the pool of high priority projects from the Plan-level prioritization to develop funding applications. These criteria may be applied in multiple ways. Some prioritization criteria are essential to a project's success in achieving the Region's objectives and/or being eligible for funding, and others are necessary to ensure that Regional projects also line up with the State's program preferences. The criteria used, and precise method for applying the criteria, are determined by the Project Selection Workgroup designated by the RAC for each specific funding opportunity.

Proposed Funding Package

As described above, the Project Selection Workgroup used the San Diego IRWM Plan as its guidebook in evaluating and selecting projects for this *San Diego IRWM Implementation Grant Proposal*. All projects proposed within this funding package are consistent with and help to implement the goals and objectives laid out in the IRWM Plan. Table 1-1 (below) provides an overview of the IRWM Plan goals and objectives and Table 1-2 (below) demonstrates that all of the projects included within this proposal would directly meet at least three of those objectives. The proposed funding package includes:

Project 1: Sustainable Landscapes Program. This program is designed to reduce water waste and pollutant infiltration into local waterways through the development and implementation of landscape standards and specifications generally consistent with the CA Model Water Efficient Landscape Ordinance and the San Diego RWQCB Municipal Stormwater Permit.

Project 2: North San Diego County Regional Recycled Water Project. This project is a plan by North San Diego County water and wastewater agencies to regionalize recycled water systems by identifying new agency interconnections, seasonal storage opportunities and indirect potable water uses that will maximize supplies, reduce wastewater discharges to ocean, potentially reduce energy consumption due to diminished delivery of imported water, and allow recycled water to play an even more significant role in meeting future water needs.

Project 3: North San Diego County Cooperative Demineralization Project. This project is focused on developing new local water supplies and managing water quality issues by constructing advanced water treatment facilities at the SEWRF to mitigate high TDS sources and beneficial reuse and studying the feasibility of brackish to potable water desalination in North San Diego County.

Project 4: Rural Disadvantaged Community (DAC) Partnership Project. This project will provide funding to address inadequate water supply and water quality affecting rural DACs, including tribal communities. The project will reduce potential for high public health risks in water and/or wastewater systems. The project will promote environmental justice in rural communities by providing outreach to rural DACs for available infrastructure projects.

Project 5: Lake Hodges Water Quality and Quagga Mitigation Measures. This project is intended to address two issues centered within the San Dieguito hydrologic unit. The first is how to improve low water quality within Lake Hodges. The second is how to mitigate against the potential long term effects of quagga mussels on Lake Hodges, San Dieguito Reservoir, Olivenhain Reservoir, and attached facilities.

Project 6: Implementing Nutrient Management in the Santa Margarita River Watershed. The project aims to establish nutrient WQOs for SM estuary (Phase I) and ultimately watershed (Phase II) that will lead to the implementation of nutrient reduction and water conservation practices in the watershed. The project consists of three major activities: Form and facilitate discussions among a SMR watershed stakeholder group to guide project activities, conduct monitoring and special studies to address data gaps identified by stakeholders to achieve project objectives, and develop nutrient WQOs for the SMR estuary.

Project 7: Bannock Avenue Neighborhood Streetscape Enhancements for Tecolote Creek Watershed Protection. The goal of this project is to reduce the pollutant load and volume of runoff entering the storm drain system in the Tecolote Creek Watershed. The load reduction goal will be achieved by diverting stormwater from the street to bioretention and treatment planters through curb cutouts. Enhanced streets will infiltrate storm flows through pervious pavement, which will reduce storm flows. These goals will also be achieved by diverting flows through a trash segregation unit and a series of AbTech (Bacterial Treatment System) units within the watershed.

Project 8: Pilot Concrete Channel Infiltration Project. This project will convert a portion of the concrete channel in Woodglen Vista Creek (and other channels as budget/logistics permit) to a more porous base, facilitating infiltration of dry weather flows without compromising flood control capacity. This effort will assist in the attainment of bacteria TMDL waste loading allocations.

Project 9: San Diego Regional Water Quality Assessment and Outreach Project. This project will engage community stakeholders to collect and analyze surface water samples in eight to nine watersheds throughout San Diego County and conduct trash removal in these areas. Samples will be analyzed for physical, chemical, bacterial, dissolved metals and nutrient constituents, as well as toxicity and bioassessment indicators. Resultant water quality data will be publically accessible to support public involvement in water resource conservation and stewardship of watershed function and health.

Project 10: Chollas Creek Integration Project. This project will gather and generate scientific data and stakeholder input to form an integrated planning process for the Pueblo Hydrologic Unit that will update the *Chollas Creek Enhancement Program* and establish implementation strategies. Further, this project will restore native habitat and reduce flooding hazards within Chollas Creek (Section 2A), which will provide baseline data for future water quality and habitat improvements. The project improves and maintains Chollas Creek as a natural urban drainage system that serves as a major conduit for stormwater runoff in the disadvantaged Encanto community.

Project 11: Regional Water Data Management Program. The goal of this program is to provide a snapshot of current data management efforts and prioritize data needs and lay them out in a basic design parameters recommendations document for the future development of a regional, web-based system for sharing, disseminating and supporting the analysis of water management data and information.

Table 3-1: San Diego IRWM Plan Goals and Objectives

IRWM Plan Objective	Primary IRWM Plan Goals Implemented by Objective			
	Goal 1: Optimize water supply reliability	Goal 2: Protect and enhance water quality	Goal 3: Provide stewardship of our natural resources	Goal 4: Coordinate and integrate water resource management
A Maximize stakeholder/community involvement and stewardship	○	○	●	●
B Effectively obtain, manage, and assess water resource data and information	○	○	○	●
C Further the scientific and technical foundation of water quality management	○	○	●	●
D Develop and maintain a diverse mix of water resources	●			○
E Construct, operate, and maintain a reliable water infrastructure system	●			○
F Minimize the negative effects on waterways and watershed health caused by hydromodification and flooding		●	○	○
G Effectively reduce sources of pollutants and environmental stressors		●	○	○
H Protect, restore and maintain habitat and open space	○	○	●	○
I Optimize water-based recreational opportunities		○	○	●

- Primary IRWM Plan goal targeted by Plan objective
- Additional IRWM Plan goals targeted by objective

Table 3-2: Consistency of Proposed Projects with IRWM Plan Objectives

Proposal Projects	IRWM Plan Objectives Addressed								
	A	B	C	D	E	F	G	H	I
Water Supply / Recycled Water									
Sustainable Landscapes Program	●	○	○	●		○	●		
North San Diego County Regional Recycled Water Project	●	●		●	●				
North San Diego County Cooperative Demineralization Project	●			●	●		●		
Rural Disadvantaged Community (DAC) Partnership Project	●			●	●		●		
Water Quality / Stormwater									
Lake Hodges Water Quality and Quagga Mitigation Measures		●	●	●	●		●		
Implementing Nutrient Management in the Santa Margarita River Watershed	●	●	●				●		
Bannock Avenue Neighborhood Streetscape Enhancements for Tecolote Creek Watershed Protection	●		●	○		●	●		○
Pilot Concrete Channel Infiltration Project		●	●	○		●	●		
San Diego Regional Water Quality Assessment and Outreach Project	●	●	●				●	○	
Natural Resources and Watersheds									
Chollas Creek Integration Project	●	●				●	●	●	
Data Management									
Regional Water Data Management Program	●	●	●						

- = directly related; ○ = indirectly related

RESOLUTION No. 2010- 19

**RESOLUTION OF THE BOARD OF
DIRECTORS OF THE SAN DIEGO COUNTY
WATER AUTHORITY AUTHORIZING
THE GENERAL MANAGER TO SUBMIT A
PROPOSITION 84 IRWM IMPLEMENTATION GRANT
APPLICATION**

WHEREAS, Proposition 84, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Public Resources Code section 75001 *et seq.*), authorized the California Legislature to appropriate \$1 billion to encourage integrated regional water management planning in California; and

WHEREAS, Section 83002(b)(3)(A)(i) of the California Water Code appropriated to the Department of Water Resources (DWR) funds for integrated regional water management (IRWM) planning grants and other purposes; and

WHEREAS, DWR has made these funds available through a grant program that allocates specific amounts of money to 11 funding areas located throughout California, including the San Diego Funding Area; and

WHEREAS, grant application procedures established by DWR require applicants to provide a copy of a resolution adopted by the applicant's governing body designating an authorized representative to file an application for an IRWM implementation grant; and

WHEREAS, achieving IRWM grant funding will help to achieve the regional water supply goals established in the Water Authority's 2005 Urban Water Management Plan; and

WHEREAS, the San Diego Regional Water Management Group (RWMG), in close cooperation with the Regional Advisory Committee (RAC), is preparing an application for a Proposition 84 grant to further water supply reliability, water quality enhancement, natural resources stewardship, and water resource management in the region; and

WHEREAS, on October 6, 2010, the RAC recommended that the Water Authority Board authorize submittal of the San Diego Region's application for a round one Proposition 84 implementation grant; and

WHEREAS, the memorandum of understanding that established the San Diego IRWM Program identifies the Water Authority as the program's authorized representative; and

WHEREAS, the Water Authority Board of Directors is the decision-making body for the Water Authority; and

WHEREAS, the Board of Directors has considered the reports submitted by Water Authority staff on IRWM planning dated February 14, 2007; May 16, 2007; July 18, 2007; September 19, 2007; January 16, 2008; June 18, 2008; December 10, 2008; January 14, 2009; March 18, 2009; August 19, 2009; October 14, 2009; July 14, 2010; September 15, 2010; and December 9, 2010.

Appendix 1-1: SDCWA Authorization

NOW, THEREFORE, the Board of Directors of the San Diego County Water Authority resolves the following:

1. The foregoing facts are true and correct.
2. The General Manager is authorized to prepare the necessary data, conduct investigations, and submit a Proposition 84 implementation grant application.
3. The General Manager is authorized to enter into an agreement to receive a round one Proposition 84 implementation grant from the California Department of Water Resources.

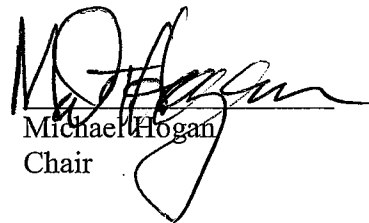
PASSED, APPROVED AND ADOPTED, this 9th day of December, 2010, by the following vote:

AYES: Unless otherwise noted, all Directors present voted aye.

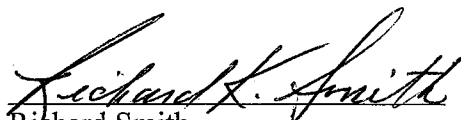
NOES: None

ABSTAIN: None

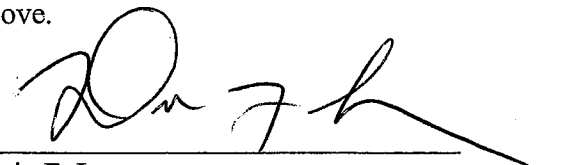
ABSENT: Directors Boyle and Petty.


Michael Hogan
Chair

ATTEST:


Richard Smith
Secretary

I, Doria F. Lore, Clerk of the Board of the San Diego County Water Authority, certify that the vote shown above is correct and this Resolution No. 2010- 19 was duly adopted at the meeting of the Board of Directors on the date stated above.


Doria F. Lore
Clerk of the Board

San Diego Integrated Regional Water Management
Prop 84 Grant Application Project List

Project Title	Project Sponsor	Functional Area	Project Summary	Recommended Grant Amount
Chollas Creek Integration Project – Phase 1 (DAC)	Jacobs Center for Neighborhood Innovation	Natural Resources and Watersheds	An Opportunities Assessment will provide a comprehensive and integrated evaluation of conditions and solutions along the main stems and tributary canyons of Chollas Creek. The project for Section 2A of the Chollas Creek south fork, will remediate 2.06 acres of disturbed natural habitat, prevent surface water pollution, and reduce erosion and flooding associated with channelization.	\$900,000
Integrated Flood Control and Water Quality Protection Program	City of Santee	Water Quality/Stormwater	Introducing a pervious base to concrete channels will allow dry weather flows to be treated, infiltrate, replenishing groundwater supplies and preventing pollutants from being discharged to the river.	\$250,000
Bannock Avenue Neighborhood Streetscape Improvements & Bacteria Treatment for Tecolote Creek Watershed Protection	City of San Diego - Storm Water	Water Quality/Stormwater	Installation of 6" pervious concrete sidewalk, one hydrodynamic separator, 550 bio-retention cells at two each residence, one high volume bacterial filtration storm water and perforated storm drain pipe connecting BMPs. This system will be designed to capture the storm water runoff from the first 0.25 inch of rainfall to increase storage/infiltration capacity for the bio-retention areas.	\$650,000
Implementing Nutrient Management in the Santa Margarita River Watershed - Phase I	County of San Diego	Water Quality/Stormwater	This project will use a scientific, stakeholder-based process to set nutrient WQOs for the watershed and implement nutrient reduction and water conservation practices. Benefits include: 1) reduction of NPS runoff & eutrophication, 2) water conservation, 3) habitat/open space protection/restoration, 4) proof-of-concept for a science-based approach to establish nutrient WQOs, & 5) stakeholder buy in.	\$450,000
Lake Hodges Water Quality and Quagga Mitigation Measures	San Diego County Water Authority	Water Supply/Drinking Water Quality	This project is for a feasibility study, conceptual design, and limited implementation of capital improvements and preventive maintenance measures for quagga control and water quality improvements at Lake Hodges, Olivenhain Reservoir, San Diego Reservoir, interconnected pipelines and facilities. Main goals are increased regional source water usability and reduced operating costs.	\$900,000
San Diego Regional Water Quality Assessment and Outreach Project, 2010 (DAC)	San Diego Coastkeeper	Water Quality/Stormwater	This project continues work by Coastkeeper as part of the Prop 50 funding cycle and will engage community stakeholders to collect and analyze surface water samples in nine watersheds and conduct trash removal in these areas. Samples will be analyzed for chem, bacti, toxicity, bio assessment and metals. Water quality data collected will be accessible to support public involvement and stewardship.	\$500,000

Appendix 1-1: SDCWA Authorization

Project Title	Project Sponsor	Functional Area	Project Summary	Recommended Grant Amount
Sustainable Landscapes Program	San Diego County Water Authority	Conservation/ Water Supply	The SLP is a multifaceted project that consists of a suite of activities designed to reduce water waste and watershed pollutants. The proposed SLP consists of: standards development, development of educational resources (curriculum, materials and training), landscape technical assistance, retrofit incentive funding, and stakeholder involvement.	\$1,050,000
Rural Disadvantaged Community Partnership Project (DAC)	Rural Community Assistance Corp (RCAC)	Water Supply	RCAC will organize a committee to identify and select the neediest DACs within the Tri-County IRWMP watershed for project development. RCAC will assist rural DACs with project development, project oversight and access to resources, including financial resources other than Prop 84. e.g. USDA-RD, tribal set-aside, SRF and RCAC financial resources will be considered to leverage project funds.	\$500,000
San Diego North Regional Recycled Water Project	Olivenhain Municipal Water District	Recycled Water/Water Supply	The North San Diego County Recycled Water Project - Phase II involves preparation of a Recycled Water Facilities Plan that will consolidate the numerous recycled water projects being developed by 11 project partners into an integrated and comprehensive recycling program. This project involves planning, engineering, and environmental review for creation of 10,000 AFY of recycled water supply.	\$1,500,000
North San Diego County Cooperative Demineralization Project	San Elijo Joint Powers Authority	Recycled Water/Water Supply	The North San Diego County Cooperative Demineralization Project will construct advanced water treatment at the SEWRF for salinity management, production expansion, stormwater treatment and pollution mitigation. The SEWRF demineralization facility will provide integral logistics and technical data to assist OMWD with planning and design efforts for a future brackish water desalination facility.	\$1,050,000
Regional Water Data Management Program	County of San Diego	Data Management	The Regional Water Management Group (RWMG) proposes to partner with local agencies and non-governmental organizations (NGOs) to implement a Regional Water Data Management Program that benefits the region. The Regional Water Data Management Program would develop a web-based system to make water supply and water quality data instantly available to interested stakeholders and facilitate data sharing.	\$150,000
Total				\$7,900,000

Note: "DAC" is the acronym for "Disadvantaged Community." Projects titles that include "DAC" will specifically benefit disadvantaged communities in the San Diego region.

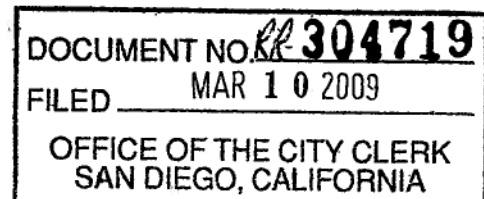
**MEMORANDUM OF UNDERSTANDING
BETWEEN CITY OF SAN DIEGO
COUNTY OF SAN DIEGO, and SAN DIEGO COUNTY WATER AUTHORITY
for the
INTEGRATED REGIONAL WATER MANAGEMENT PLAN AND GRANT PROGRAM
For 2009-2013**

This Memorandum of Understanding (MOU) between the San Diego County Water Authority (Water Authority); the City of San Diego, a municipal agency (City); and the County of San Diego, a political subdivision of the State of California (County) sets forth the respective roles of the Water Authority, City and County in regard to the Integrated Regional Water Management (IRWM) Plan and Grant Program. Water Authority, City and County are sometimes referred to in this MOU collectively as the "Parties" and individually as "Party."

This MOU replaces the Memorandum of Understanding (June 13, 2005), as amended, between City of San Diego, County of San Diego, and San Diego County Water Authority for Fiscal Years 2005-2009 for the IRWM Grant Program.

RECITALS:

1. The California Legislature enacted SBX2 1 (Perata, Chapter 1 Statutes of 2008), the Integrated Regional Water Management Planning Act, which repealed and re-enacted Part 2.2 of Division 6 of the Water Code relating to integrated regional water management plans. SBX2 1 provides that a regional water management group may prepare and adopt an integrated regional water management (IRWM) plan.
2. In November 2002, Proposition 50, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act (Prop 50), authorized the Legislature to appropriate funding for competitive grants for IRWM projects.
3. In November 2006, Proposition 84, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Act (Prop 84), authorized the Legislature to appropriate funding for competitive grants for IRWM projects.
4. The intent of the IRWM Grant Program (Program) established in accordance with Prop 50 and SBX2 1 is to encourage integrated regional strategies for management of water resources and to provide funding, through competitive grants, for projects that protect communities from drought, protect and improve water quality, promote environmental stewardship, and improve local water security by reducing dependence on imported water.
5. To qualify as a regional water management group (RWMG) and comply with the Program Guidelines (Guidelines) established under Prop 50 and SBX2 1, at least three agencies must participate in the group; two of the agencies must have statutory authority over water management that may include water supply, water quality, flood control, or stormwater management.



Appendix 1-2: San Diego RWMG MOU

6. In 2005, the Parties established an RWMG that consists of the Water Authority and City, both of which have statutory authority over water management, and County, which has statutory authority over water quality and flood control in the unincorporated area.

7. The Parties understand that only through a collaborative effort with the many stakeholders involved in water management planning can the IRWM Plan process be successful in the San Diego region.

8. As part of the public outreach and stakeholder involvement effort, the Parties established the Regional Advisory Committee (RAC), which comprises up to 30 representatives appointed by the Parties from the water management areas of water supply, water quality and natural resources/watersheds management; representatives of businesses, academia and tribes; and other interested members of the public. The purpose of the RAC is to make recommendations to the Parties on key issues related to IRWM planning and grant applications.

9. The Parties, acting with positive recommendations from the RAC, completed the 2007 San Diego IRWM Plan and submitted an implementation grant application (Application) under the second cycle of the Prop 50 IRWM Program. The Parties subsequently were awarded a \$25 million implementation grant application (Application) from the Department of Water Resources (DWR).

10. Prop 84 allocates an additional \$91 million dollars in grant funding for projects developed under the IRWM Plan for the San Diego Funding Area.

11. Prop 84 and Proposition 1E, the Disaster Preparedness and Flood Prevention Bond Act of 2006 (Prop 1E), which passed in 2006, include a combined \$575 million that will be available on a competitive basis statewide for regional flood management and stormwater projects that are consistent with an adopted IRWM Plan. DWR plans to have a single application for Prop 84 IRWM and flood management and Prop 1E stormwater-flood management grant funds.

12. The original MOU between the Parties did not provide funding to implement or update the IRWM Plan, administer the Prop 50 grant contract, or apply for Prop 84 and Prop 1E funding. This MOU consists of five major components: general grant obligations, 2007 San Diego IRWM Plan update, Prop 50 grant contract administration, the role of the RAC, and funding.

Now, therefore, in consideration of the above incorporated recitals and mutual obligations of the Parties herein expressed, the Parties agree as follows:

1. General grant obligations

- a. The Parties are equal partners in the development and submission of State grant applications, including the associated region acceptance process. All Parties shall have necessary reviews and approvals completed by their respective staff before submittal of grant applications.
- b. The Parties shall provide timely input on grant application reviews and approvals according to the schedule upon which they have mutually agreed. The grant

applications shall be developed in accordance with the Guidelines and schedule established by DWR.

- c. Water Authority shall submit the grant applications to the State on behalf of the Parties.
- d. To expedite the grant application process, Water Authority shall provide initial funding for a consultant to develop the applications. The cost of the consultant and applications shall be shared by the parties consistent with Section 5 of this MOU.
- e. Water Authority shall be responsible for developing project lists and managing funding for its member agencies (except City).
- f. City shall be responsible for developing project lists and managing funding for projects that fall within City's jurisdictional boundaries, are located on City-owned property, or are projects in which City is involved as a partner.
- g. County shall be responsible for developing project lists and managing funding for regional non-governmental organizations, stormwater and watershed projects or projects not otherwise explicitly within the responsibilities of the Water Authority or City.
- h. Procurement of all work for the projects shall comply with the terms and conditions of the State Grant and all other applicable laws.

2. San Diego IRWM Plan update

- a. The Parties are equal partners in the update of the IRWM Plan (Plan). Water Authority shall contract with a consultant to update the Plan in compliance with the Guidelines and schedule established by DWR, and submit the updated Plan to the State.
- b. The update of the Plan shall be contingent upon receipt of additional funding.

3. Prop 50 grant contract administration

Definition: A Local Project Sponsor is a proponent of an individual project that will be funded as part of an IRWM Program grant from State. A local project sponsor may be Water Authority, County, City, a Water Authority member agency, a municipality or a non-governmental organization.

- a. The Water Authority shall have overall responsibility for administering the Prop 50 Program grants in the San Diego region unless other mutually agreeable arrangements are made with the granting agencies or among the Parties. Administrative tasks include contracting with the State and Parties, coordinating and submitting reports, and responding to audit requests by the grant agency.
- b. Each Party shall be responsible for managing grant projects as set forth in this section and for requiring adherence to the contractual requirements of the funding agency. A matrix of projects, Local Project Sponsors, and their administering Party is attached.
- c. A Party whose project is awarded Program funding, or who is managing the project of a Local Project Sponsor that has been awarded Program funding, shall invoice the Water Authority, which shall in turn invoice the State. The Water Authority shall, within 60 days of receipt of funds from the State, disburse the funds to the Local Project Sponsor and provide notice of disbursement to Managing Party.

- d. The Parties agree to jointly hire a consultant to assist in administration of the Prop 50 Program grant received by the Region. These tasks include collecting necessary data, preparing required quarterly reports consistent with DWR guidelines and verifying invoices. The Parties shall participate in the consultant selection process and in development of the scope of work. All Parties shall be signatories to the consultant contract; the Water Authority shall be the lead Party for contract administration.
- e. The Parties shall pay for the consultant to assist in administration of the Prop 50 Program grants with a fund that comprises three percent of each individual project grant. To the extent that consultant costs exceed the amount in this fund, and the Parties mutually agree to the additional cost, they shall equally share these costs in accordance with Section 5a.
- f. All public works construction using Prop 50 Funds shall comply with all applicable laws for a "public work," including a Labor Compliance Program.
- g. If the State funds the Program at a level lower than the requested dollar amount and does not provide direction on which projects to fund, the Parties, in consultation with the RAC, shall reevaluate all projects and fund as determined by that reevaluation of projects and their integration into regional priorities and benefits.

4. Role of Regional Advisory Committee (RAC)

The RAC shall be considered the project advisory committee. The Parties are committed to a cooperative relationship with the RAC and will incorporate the RAC's consensus recommendations in draft documents prepared for presentations to the Parties' governing bodies. The Parties' governing bodies will give primary consideration to the recommendations of the RAC as part of any decision related to the following:

- a. Adoption of the updated IRWM Plan for the San Diego region.
- b. Development of the San Diego planning region for DWR's region approval process, which precedes grant applications under the combined Prop 84 and Prop 1E grant program.
- c. Criteria for prioritizing projects for funding under the Prop 84 and Prop 1E grant programs.
- d. Approval and submission of grant applications.
- e. Transition responsibility for implementation of the IRWM Plan to a new institutional structure.

5. Funding

- a. Funding under this agreement shall not exceed \$900,000; each Party shall provide an equal share in an amount not to exceed \$300,000. If costs to implement the MOU exceed \$900,000, the Parties shall contribute equally to a mutually agreed upon increase, the terms of which shall be set forth in an amendment to this MOU.
- b. In-kind services provided by the Parties shall be considered in excess of the above funding amounts. The Parties' staff shall separately document time spent on in-kind services for IRWM planning, administration and grant applications. There shall be no reimbursements for staff costs from Parties not providing the service.
- c. The costs of the MOU shall not include expenditures to administer the Prop 50 grant Program.
- d. Water Authority shall invoice City and County on a quarterly basis along with supporting documentation of expenses. City and County shall remit payment within 60 days of receipt of invoice.

6. Assignment

Parties shall not assign or transfer this MOU or any rights under or interest in this MOU without written consent of all other Parties, which may be withheld for any reason.

7. Defense and Indemnity

Water Authority, City, and County each agree to mutually indemnify, defend at its own expense, including attorneys' fees, and hold each other harmless from and against all claims, costs, penalties, causes of action, demands, losses and liability of any nature whatsoever, including but not limited to liability for bodily injury, sickness, disease or death, property damage (including loss of use) or violation of law, caused by or arising out of or related to any negligent act, error or omission, or willful misconduct of that party, its officers or employees, or any other agent acting pursuant to its control and performing under this Agreement.

Nothing in the foregoing shall be construed to require any Party to indemnify another for any claim arising from the sole negligence or willful act of the Party to be indemnified.

8. Document Review

Water Authority, City and County each shall make available for inspection to the other Parties, upon reasonable advance notice, all records, books and other documents relating to the Plan and the Program, unless privileged.

9. Term

Appendix 1-2: San Diego RWMG MOU

The term of this MOU shall begin on the date of execution by all Parties and expire on December 31, 2013. The Parties agree to continue participating in the planning, development and coordination of the Plan and Grants to the maximum extent possible for the duration of the agreement. However, the term is contingent upon funding by Water Authority, City and County. In the event that future budget appropriations are not approved by one or more of the Parties or by DWR, this MOU shall terminate at the beginning of the fiscal year for which such appropriations are not made. The Parties shall notify each other of this event. Also, if appropriations are different than anticipated, MOU and Program funding shall be adjusted based on available funding.

This MOU may be extended upon mutual written agreement of all Parties.

10. Notice

Any notice, payment, credit or instrument required or permitted to be given hereunder will be deemed received upon personal delivery or 24 hours after deposit in any United States mail depository, first class postage prepaid, and addressed to the Party for whom intended as follows:

If to the Water Authority:

San Diego County Water Authority
4677 Overland Avenue
San Diego, CA 92123
Attn: Mark Stadler

If to City:

City of San Diego Water Department
600 B Street, Suite 600
San Diego, CA 92101
Attn: Cathy Pieroni

If to County

County of San Diego
5201 Ruffin Road, Suite P
San Diego, CA 92123
Attn: Sheri McPherson

Any Party may change such address or contact by notice given to the other Parties as provided herein.

11. Amendments

The MOU may be amended as circumstances necessitate by written agreement executed by all Parties.

12. Severability

ORIGINAL

The partial or total invalidity of one or more parts of this MOU will not affect the intent or validity of this MOU.

13. Governing Law

This MOU shall be deemed a contract under the laws of the State of California and for all purposes shall be interpreted in accordance with such laws. Any action brought shall be in San Diego County, California.

14. Obligations

Nothing in this agreement shall create additional obligations with respect to the Plan or Program.

15. Termination of MOU

This MOU may be terminated by any Party hereto for any reason 30 days after notice in writing to the other Parties.


16. Signatures

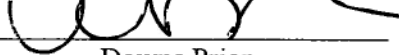
The individuals executing this MOU represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

IN WITNESS WHEREOF, the Parties have executed this MOU as of the date below.

San Diego County
Water Authority

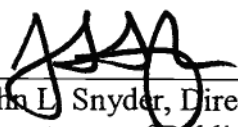
City of San Diego

By: 
Ken Weinberg
Director of Water Resources

By: 
Downs Prior
Principal Contract Specialist
Purchasing & Contracting Department

3/25/09

County of San Diego

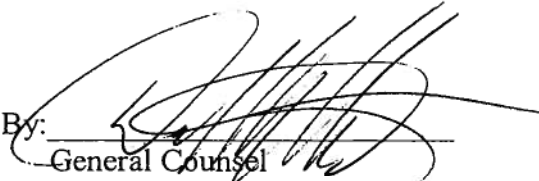
By: 
John L. Snyder, Director
Department of Public Works

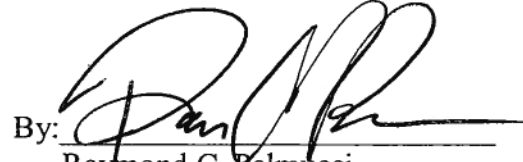
ORIGINAL

APPROVED AS TO FORM:

San Diego County
Water Authority

City of San Diego

By: 
General Counsel
San Diego County Water Authority

By: 
Raymond C. Palmucci
Deputy City Attorney

County of San Diego

By: 
Senior Deputy County Counsel

Date: 3/25/2001

**San Diego Integrated Regional Water Management project list
For Proposition 50 grant funding**

Project title	Local Project Sponsor	Administering party
1 -- Implementation of Integrated Landscape & Agricultural Efficiency Programs	CWA	CWA
2 -- Irrigation Hardware Giveaway and Dry Weather Runoff Reduction Demonstration	City of San Diego	City of San Diego
3 -- Over-irrigation Runoff/Bacteria Reduction	City of Encinitas	CWA
4 -- Santee Water Reclamation Facility Expansion	Padre Dam Municipal Water District	CWA
5 -- Recycled Water Retrofit Assistance Program	CWA	CWA
6 -- Recycled Water Distribution System Expansion, Parklands Retrofit, and Indirect Potable Reuse/Reservoir Augmentation	City of San Diego	City of San Diego
7 -- San Vicente Reservoir Source Water Protection through Watershed Property Acquisition and Restoration Educational Demonstration Wetland Project	CWA	CWA
8 -- El Capitan Reservoir Watershed Acquisition and Restoration Program	San Diego River Park Foundation	City of San Diego
9 -- Northern San Diego County Invasive Non-Native Species Control Program	Mission Resource Conservation District	County of San Diego
10 -- Santa Margarita Conjunctive Use Project Green -- San Dieguito	Fallbrook Public Utility District	CWA
11 -- Carlsbad Desalination Project Local Conveyance	Olivenhain Municipal Water District	CWA
12 -- San Diego Region Four - Reservoir Intertie Conceptual Design	Sweetwater Authority	CWA
13 -- South San Diego County Water Supply Strategy	Sweetwater Authority	CWA
14 -- El Monte Valley Groundwater Recharge and River Restoration Project -- Phases 1 and 2	Helix Water District	CWA
15 -- San Diego Regional Pollution Prevention	San Diego Coastkeeper	County of San Diego
16 -- Biofiltration Wetland Creation and Education Program	Zoological Society of San Diego	County of San Diego
17 -- San Dieguito Watershed Management Plan Implementation Project -- Lake Hodges Natural Treatment System Conceptual Design	San Dieguito Watershed Council	City of San Diego
18 -- Green Mall Porous Paving and Infiltration, Phase 1	City of San Diego	City of San Diego
19 -- Chollas Creek Runoff Reduction and Groundwater Recharge	County of San Diego	County of San Diego

RESOLUTION No. 10-002**RESOLUTION OF THE SAN DIEGO COUNTY BOARD OF
SUPERVISORS AMENDING THE 2007 SAN DIEGO
INTEGRATED REGIONAL WATER MANAGEMENT PLAN**

WHEREAS, the San Diego Regional Water Management Group (RWMG), in close cooperation with the Regional Advisory Committee (RAC), drafted the first San Diego Integrated Regional Water Management (IRWM) Plan to optimize water supply reliability, protect and enhance of water quality, provide stewardship of natural resources and coordinate and integrate water resource management in the region; and

WHEREAS, the San Diego IRWM Plan is the foundation of long-term IRWM planning in the region, fostering coordination, collaboration, and communication among governmental and non-governmental water stakeholders; and

WHEREAS, carrying out the San Diego IRWM Plan and obtaining IRWM grant funding will help to achieve the County of San Diego Strategic Plan Environment Initiative; and

WHEREAS, the County of San Diego Board of Supervisors is the decision-making body for the County of San Diego; and

WHEREAS, on September 19, 2007, the RAC recommended that the RWMG governing bodies adopt the San Diego IRWM Plan; and

WHEREAS, the County of San Diego Board of Supervisor adopted the San Diego IRWM Plan at its November 7, 2007 meeting; and

WHEREAS, the RWMG would like to amend the San Diego IRWM Plan to facilitate the addition and revision of projects to the plan; and

WHEREAS, amendment of the San Diego IRWM Plan by the San Diego County Board of Supervisors will update the San Diego IRWM Plan in preparation for the San Diego Region's application for Proposition 84 and other potential funding; and

NOW, THEREFORE, LET IT BE RESOLVED that the County of San Diego Board of Supervisors resolves the following:

1. The 2007 San Diego Integrated Regional Water Management Plan is amended by the revision of the process for managing the IRWM project list as shown in Attachment 1.
2. Staff is directed to incorporate the amendment made by the resolution into the IRWM Plan.

APPROVED AS TO FORM AND LEGALITY
COUNTY COUNSEL

BY Tom Boxworth
COUNTY DEPUTY

Appendix 1-3: IRWM Project Selection

ON MOTION of Supervisor Roberts, seconded by Supervisor Horn, the above Resolution was passed and adopted by the Board of Supervisors, County of San Diego, State of California, on this 13th day of January, 2010, by the following vote:

AYES: Cox, Jacob, Slater-Price, Roberts, Horn
- - -

STATE OF CALIFORNIA)
County of San Diego)^{SS}

I hereby certify that the foregoing is a full, true and correct copy of the Original Resolution entered in the Minutes of the Board of Supervisors.

THOMAS J. PASTUSZKA
Clerk of the Board of Supervisors

By: Nancy Vizcarra
Nancy Vizcarra, Deputy



No. 10-002

01/13/2010 (8)

2007 San Diego IRWM Plan**New text for Section G (Implementation):***G.5 Managing the IRWM Project List*

Periodic updates to the list of water management projects must be made as new funding opportunities arise. Updating the project list will allow additional projects to be added, as project concepts are refined to address changing conditions and needs in the Region. This opportunity also will enable the project sponsors to revise their project submittals as necessary.

The San Diego IRWM project list is included in the Plan as Appendix 5. Any sponsor may submit a project for inclusion in the Plan. The Regional Water Management Group (RWMG) will decide whether to add a submitted project to Appendix 5 after reviewing it to ensure it is consistent with the Plan. The RWMG will notify the sponsor of its decision to accept or reject a project. This structure facilitates the addition of projects to the Plan. It also makes it easier for sponsors to add or revise projects, integrate their projects with others, or add additional features so the projects provide multiple benefits.

When the RWMG decides to submit an application for a grant or other funding opportunity, it will work with the Regional Advisory Committee (RAC) to form a technical workgroup that will review the projects in Appendix 5 and recommend which to submit for funding. All grant applications, including projects proposed for funding, will be submitted to the RAC for its consideration and recommendation. The ultimate approval of the application and projects submitted for funding lies with the Board of Directors of the San Diego County Water Authority, the agency authorized to submit grant applications on behalf of the RWMG.



**Prop 84 Project Selection Workgroup
Suggested Criteria for Workgroup Consideration**

Final September 16, 2010

The following table presents suggested criteria to be considered by the Workgroup in developing the funding application package. Criteria have been categorized as project-level criteria or proposal-level criteria. Project-level criteria will be used to evaluate individual projects while proposal-level criteria will be used to evaluate the proposal as a whole. It is anticipated that the ability of projects to address project-level criteria will be discussed during the second Workgroup meeting. The ability of the proposed funding application package to address the proposal-level criteria is scheduled for discussion during the third and fourth Workgroup meeting.

Criteria	Suggested Workgroup Guidelines
PROJECT-LEVEL CRITERIA	
Contribution to IRWM Plan Goals and Objectives	Select projects contribute to the attainment of IRWM Plan goals and objectives.
Scientific and Technical Merit	Select projects that are well supported from a technical standpoint based on supporting studies and data.
Budget	Select projects that have well-developed budgets and exhibit reasonable costs. Note that DAC projects are exempt from the 25% funding match requirement.
Readiness to Proceed	Select projects that will be ready to proceed by December 2011.
Contribution to Measurable Targets	Select projects that contribute to IRWM Plan targets.
Cost-Effectiveness <ul style="list-style-type: none"> • Water Supply • Water Quality • Flood Damage Reduction 	Select projects that are cost-effective on both the short- and long-term, and provide quantifiable benefits to the region.
Program Preferences ^a	Select projects that implement Program Preferences and Statewide Priorities
Benefits DACs	Select project addresses the critical water supply and water quality needs of DACs.
Benefits Tribes	Select project addresses the water resources needs of San Diego area tribes.

Appendix 1-3: IRWM Project Selection

Criteria	Suggested Workgroup Guidelines
PROPOSAL-LEVEL CRITERIA	
Linkages to Other Projects	Proposal to include projects with synergies and linkages among them.
Funding Match	Proposal to achieve an overall 25-30% funding match.
Schedule	Proposal must include at least one project that will begin implementation by December 2011.
Economic Analysis – Water Supply	Proposal to include projects that realize quantifiable water supply benefits.
Economic Analysis – Water Quality and Other Expected Benefits	Proposal to include projects that realize quantifiable water quality and other expected benefits.
Economic Analysis – Flood Damage Reduction	Proposal to include projects that realize quantifiable flood damage reduction benefits.
Program Preferences ^a	Proposal to include a suite of projects that implements a combination of Program Preferences with a high degree of certainty.
Geographic Parity	Proposal to include a suite of projects that will benefit hydrologic units across the Region.
Regional Objectives	Proposal to include a suite of projects that addresses all IRWM Plan objectives.
Degree of Negative Impact	Proposal to include a suite of projects that have minimal secondary or cumulative negative impacts, including those that occur over a longer time or distance.
Amount Leveraged	Proposal to include a suite of projects that allow other projects to move forward.

a. Program Preferences include:

- a) Include regional projects or programs
- b) Effectively integrate water management programs and projects within a region
- c) Effectively resolve significant water-related conflicts within or between regions
- d) Contribute to attainment of one or more objectives of the CALFED Bay-Delta Program
- e) Address critical water supply or water quality needs of disadvantaged communities in the region
- f) Effectively integrate water management with land use planning
- g) Projects which are not receiving State funding for flood control or flood prevention or provide multiple benefits
- h) Address Statewide Priorities, which include:
 - Drought preparedness
 - Use and reuse water more efficiently
 - Climate change response actions
 - Expand environmental stewardship
 - Practice integrated flood management
 - Protect surface water and groundwater quality
 - Improve tribal water and natural resources
 - Ensure equitable distribution of benefits

Appendix 1-3: IRWM Project Selection

San Diego Integrated Regional Water Management Prop 84 Project Selection Workgroup Prop 84-Round 1 Recommended Projects for Funding

ID	Project Title	Organization	Functional Area	Original Grant Request	Workgroup Grant Recommendation
181	Integrated Flood Control and Water Quality Protection	City of Santee	Flood Control	\$340,700	\$250,000
159 & 186	Phase I - Chollas Creek Integration Project / Part A	Groundwork San Diego-Chollas Creek	Natural Resources and Watersheds	\$175,000	\$900,000
	Phase I - Chollas Creek Integration Project / Part B	Jacobs Center for Neighborhood Innovation	Natural Resources and Watersheds	\$1,060,525	
92	Bannock Avenue Neighborhood Streetscape Improvements & Bacteria Treatment for Tecolote Creek Watershed Protection	City of San Diego Storm Water	Water Quality/ Stormwater	\$650,000	\$650,000
187	Implementing Nutrient Management in the Santa Margarita River Watershed - Phase I	County of San Diego	Water Quality/ Stormwater	\$510,000	\$450,000
478	Lake Hodges Water Quality and Quagga Mitigation Measures	San Diego County Water Authority	Water Quality/ Stormwater	\$976,500	\$900,000
26	San Diego Regional Water Quality Assessment and Outreach Project, 2010	San Diego CoastKeeper	Water Quality/ Stormwater	\$777,500	\$500,000
175	Rural Disadvantaged Community (DAC) Partnership Project	Rural Community Assistance Corp	Water Supply	\$1,050,000	\$500,000
198 & 200 & 218*	Sustainable Landscapes - County of San Diego	County of San Diego	Water Supply	\$896,200	\$1,050,000
	Sustainable Landscapes - City of San Diego, Water Conservation and Retention Rebate and Education Program	City of San Diego Public Utilities Dept.	Water Supply	\$525,000	
	Sustainable Landscapes Conversions Initiative	Assn of Compost Producers	Water Supply	\$200,000	
212	San Diego North Regional Recycled Water Project	Olivenhain Municipal Water District	Recycled Water	\$2,500,000	\$1,500,000
213	North San Diego County Cooperative Demineralization Project	San Elijo Joint Powers Authority	Recycled Water	\$1,100,000	\$1,050,000
208	Regional Water Data Management Program	County of San Diego	Other	\$150,000	\$150,000
Total San Diego IRWM Implementation Grant Recommendation					\$7,900,000

* Workgroup has not yet received confirmation from applicants of project integration/acceptance.



Regional Advisory Committee

Meeting #29 Notes

October 6, 2010, 9:00 a.m. – 11:00 a.m.

San Diego County Water Authority
4677 Overland Avenue, San Diego, CA 92123

Attendance –

RAC Members

Kathleen Flannery, County of San Diego (chair)
Anne Bamford, Industrial Environmental Association
Craig Adams, San Dieguito River Valley Conservancy
Doug Gibson, San Elijo Lagoon Conservancy
Eric Larson, Farm Bureau San Diego County
Jennifer Kovecses, San Diego CoastKeeper
Toby Roy for Ken Weinberg, San Diego County Water Authority
Kirk Ammerman, City of Chula Vista
Linda Flournoy, Planning and Engineering for Sustainability
Rob Roy, La Jolla Band of Indians
Peggy Strand, Sweetwater Authority
Mark Umphres for Mark Weston, Helix Water District
Cathy Pieroni for Marsi Steirer, City of San Diego
Rob Hutsel, San Diego River Park Foundation
Bill Hunter, Santa Fe Irrigation District
Mike Thornton, San Elijo Joint Powers Authority
Rick Alexander, Sweetwater Authority
Beth Principe, Mission Resources Conservation District

Non-Voting Members

Laurie Walsh, San Diego Regional Water Quality Control Board
Jack Simes, United States Bureau of Reclamation

RWMG Staff

Cathy Pieroni, City of San Diego
Jeffery Pasek, City of San Diego
Jon Van Rhyn, County of San Diego
Mark Stadler, San Diego County Water Authority
Loisa Burton, San Diego County Water Authority
Liana Whyte, San Diego County Water Authority
Sheri McPherson, County of San Diego

Interested Parties to the RAC

Adam Hoch, San Elijo Joint Powers Authority
Bill Hidemer, unknown

Appendix 1-3: IRWM Project Selection

Crystal Mohr, RMC Water and Environment
Dan Noble, Association of Compost Producers
Erica Ryan, City of San Marcos
Greg Bullock, unknown
Heather Parkison, RMC Water and Environment
Joey Randall, Olivenhain Municipal Water District
Kimberly O'Connell, University of California, San Diego
Lauma Jurkevics, California Department of Water Resources
Laura Carpenter, Brown & Caldwell
Leslie Reynolds, Groundworks San Diego-Chollas Creek
Myles Pomeroy, Groundworks San Diego-Chollas Creek
Malik Tamimi, unknown
Natalie De Freitas, City of San Diego
Robyn Badger, Zoological Society of San Diego
Rosalyn Stewart, RMC Water and Environment
Sharon Hudnall, The Jacobs Center
Sheri Miller, Rural Community Assistance Corporation
Sue Reynolds, City of San Diego
Wally Grabbe, Valley Center Municipal Water District

Introductions

Ms. Kathleen Flannery (chair), County of San Diego, welcomed everyone to the meeting and introduced several new members of the RAC: Jim Smyth, and his alternate Peggy Strand, of the Sweetwater Authority and Rob Roy of the La Jolla Band of Indians. Introductions were made around the room.

San Diego IRWM Updates

Proposition 50 Grant Administration

Ms. Loisa Burton, San Diego County Water Authority, announced that the first Proposition 50 grant contract amendment was executed by DWR on October 4, 2010. Additionally, the Proposition 50 grant web tool was launched on October 1, 2010, and the website is now being used to upload invoices and quarterly reports. The next deadline for reports and invoicing is October 15, 2010. Thus far, \$1.3 million of the Proposition 50 grant monies have been spent.

Proposition 84 Grant Opportunities

Ms. Rosalyn Stewart, RMC Water and Environment, explained DWR's proposed schedule for the Proposition 84 grant cycles. According to this schedule, DWR will release their draft recommendations for the Planning Grants in November 2010. DWR received 39 Planning Grant applications for Round 1, wherein approximately \$20 million will be available for distribution.

Ms. Stewart went on to explain the timeline for preparation of an Implementation Grant application. She explained that the Project Selection Workgroup had developed their recommendations and that later today, the RAC would vote to approve the recommendation. Afterward, the recommendation would be forwarded for approval by the SDCWA Board, who is

Appendix 1-3: IRWM Project Selection

the grant applicant and contract administrator, as with Proposition 50. The proposal will then be compiled for the Implementation Grant application, which is due January 7, 2011.

Legislative and Policy Updates

Ms. Sheri McPherson, County of San Diego, explained that SB 346 pertains to the management of automotive brake pad particles on roadways, which is then transported in surface runoff. She also explained that the State Water Resources Control Board is working on developing a Trash Policy. Scoping and public comment will occur through November 3, 2010, so RAC members and interested parties are encouraged to take a look at the State's website. The State Water Resources Control Board is also planning to raise NPDES certification fees by 31%, so RAC members and interested parties are urged to follow the State's developments in regards to fees. Finally, the Regional Water Quality Control Board is planning to adopt a new MS4 permit for Riverside County, whose requirements may impact the local permit in the near future.

Ms. Cathy Pieroni, City of San Diego, explained that reservoir operators can face civil and criminal penalties for Quagga mussel infestations. AB 1929 recognizes that Quagga mussel infestations cannot be completely eradicated, but must be managed. SB 918 calls for uniform water recycling criteria – including groundwater recharge and indirect potable reuse to surface water – by December 2013. This bill provides for a better understanding and promotes an even approach to water reuse.

Ms. Pieroni then explained that two bills are no longer going forward. AB 1834 was a good attempt to hold landowners responsible for establishing rainwater capture systems, was not ready to go through and was vetoed. AB 2256 aimed to raise consumer awareness about what products were or were not flushable, but it did not move forward.

Implementation Grant Recommendation

Mr. Kirk Ammerman (chair of Project Selection Workgroup), City of Chula Vista, described the Project Selection Workgroup decision process and recommendation to the RAC. The project Selection Workgroup was made up of 9 representatives from the RAC (3 RWMG, 1 water retailer, 1 water quality, 2 watersheds and natural resources, and 2 at-large members). The Workgroup made a commitment to a democratic process, with the purpose of recommending a package of water management projects for the Proposition 84-Round 1 Implementation Grant proposal. Each and every project submitted to the online project database was seriously considered.

Mr. Ammerman stated that 70 initially projects were submitted, which were combined and revised into a total of 54 integrated projects after the Integration Workshop in early August. In total, \$34 million in grant funds were requested, but the San Diego Region only anticipates receiving \$7.9 million in Round 1.

The Project Selection Workgroup went through a two step process. First, each project was reviewed according to multiple project-level criteria, which included: contribution to the IRWM goals and objectives, scientific and technical merit, budget/cost effectiveness, readiness-to-proceed, and program preferences. The budget and readiness-to-proceed criteria considered the ability of a project to spend funds earlier rather than later. Second, the Workgroup applied multiple proposal-level criteria to the complete package of projects. These criteria included: linkages to other projects, total funding match, schedule, economic analysis, program

Appendix 1-3: IRWM Project Selection

preferences, geographic parity, regional objectives, the degree of negative impact, and amount leveraged.

In the meetings, the Workgroup opted to review and identify Tier 2 projects for consideration. These were projects which did not meet initial screening, but were reviewed a second time with the entire project package in mind. After discussion and assessment of individual projects, specific questions were identified and asked of applicants. The Workgroup also considered both watershed group comments and responses from project proponents during review of the individual projects.

Finally, a short list of projects was nominated for the funding package and a list of “parked” projects – which were still being considered but did not rank as high as the nominated projects – was reviewed. The final package was then refined to ensure the package in its entirety met the proposal-level criteria described previously. In the end, 11 projects were recommended for funding by unanimous agreement, and the grant request totaled \$7.9 million.

Mr. Ammerman listed the 11 projects which comprise the recommended package, and highlighted their merits. A table of the projects was included in the handouts. The recommended package ensures that all watersheds are benefited by grant funding, and all but one IRWM objectives are addressed. The package did not directly address recreational activities; however, RAC members pointed out that the package would provide indirect benefits to recreational activities.

The Workgroup will follow up by conducting a debrief and listing suggestions to improve the project selection process, as well as by providing feedback to project proponents to help them compete more effectively for future grant funding. The goal is for this process to be one of bi-directional feedback.

Next steps include a vote by the RAC to approve of the recommended funding package, followed by a vote of the SDCWA Board. Should it gain approval from both bodies, the consultant will work with project sponsors to gather additional information and prepare the grant application.

Workgroup Discussion:

- Kirk Ammerman was thanked for doing an outstanding job chairing the Project Selection Workgroup.
- The process was one of screening, but not linear screening based on early impressions. Rather, projects moved around quite a bit (with use of the “parking lot” concept) and the outcome was in question up until the end. All projects were open for consideration.

RAC Discussion:

- RAC members were reminded that if a RAC member is a proponent for a project, he or she was expected to limit his or her comments to the facts, without advocating for a project. However, project proponents are welcome to vote in favor of a package containing their project.

**** Motion to approve the recommended funding package identified by the Project Selection Workgroup was seconded and carried. RAC discussion and public comments followed prior to formal vote.**

Appendix 1-3: IRWM Project Selection

- The Navy supports inclusion of the Chollas Creek project within the funding package.
- How were watershed-specific projects considered within the funding package?
 - Watershed projects were considered based on the need identified in the watershed and the degree of benefit provided by the project.
 - The Regional Water Quality Monitoring project (CoastKeeper as lead) provides water quality monitoring across the Region's watersheds.
 - The Rural DACs Partnership project (RCAC as lead) offers technical support to small/disadvantaged communities in the eastern watersheds, including tribal groups.
- In the North San Diego Cooperative Demineralization Project (SEJPA as lead), the stormwater diversion of high coliform runoff to the SEJPA treatment plant would make cleaner water for recreation. Would that count as a recreational benefit?
 - Yes, but this diversion is an indirect benefit, not a direct benefit (i.e., provision of trail segment or fishing pier).
 - Almost all projects in funding package benefit recreation indirectly, but none did directly. Many projects had multiple objectives, but the Workgroup spent a lot of time sorting out the direct vs. indirect benefits of each project.

Public Comments:

- Project proponents would like feedback about why their projects did not make the cut in the recommended funding package.
 - The consultant will provide feedback from the Workgroup to project proponents.

**** Upon noting a quorum, motion to vote to approve the recommended funding package by the Project Selection Workgroup was seconded. After agreeing to raise hands rather than knock for accurate accounting of such an important vote, the motion to vote was carried.**

**** Approval of the Recommended Funding Package was unanimous – 15 in favor with 1 abstention (non-voting member).**

Additional Policy Considerations

Ms. Kathy Flannery introduced two additional policy considerations raised by the Workgroup.

If A Project Drops Out

Ms. Kathy Flannery explained that since a project could potentially drop out during application preparation, the RAC should decide on how this situation should be handled in advance. Two options were proposed: the grant funding for that project may be redistributed among the other projects in the approved package (since those projects all had their grant funding reduced), or new projects may be considered. Should the RAC agree upon the former option, the RAC must clarify if the reallocation is up to Workgroup discretion (up to \$500,000.00) or if the Workgroup would return with a recommendation for the RAC (over \$500,000.00).

Appendix 1-3: IRWM Project Selection

RAC Discussion:

- What would the Workgroup have recommended in the funding package absent one project?
 - A Workgroup member explained that they reduced the grant request amounts from existing projects in order to meet the target (from \$11 million to \$7.9 million).
 - There may have been a few other projects considered, but these were the best projects for the funding package.
 - Many projects will also be good candidates for Round 2 funding.
 - The Workgroup looked at all Proposition 84 program criteria and local geographic balance to get to the funding package list that was recommended.
 - Every project submitted had merit. Tier 1 projects' requested grant funds totaled \$34 million. Using the funding target, the Workgroup narrowed down the projects to what was do-able and ended up with \$8.5 million, which was the further whittled down to \$7.9 million.
- In the Proposition 50 grant cycle when this occurred, the San Diego region reallocated funds within the same functional area.
- It seems as if there is no bright line between these and other submitted projects; Suggestion that had we had the funds, the Workgroup would have gone deeper.
 - Workgroup member acknowledged that they had to pull elements out of projects in order to reduce scope and budget to what was available.
 - Every project (except one) that was selected had to reduce the requested amount.
- There will be subsequent rounds of Proposition 84 funding to \$71 million. Some projects could develop stronger in a later round.
- Are decisions we make about this scenario's approach binding for subsequent rounds?
 - No. The Workgroup will be making suggestions for improving the selection process in the next round.
- The RAC clearly trusts the Workgroup's recommendation – look at the unanimous approval of the recommended funding package. The Workgroup has an intimate knowledge of the projects, so we should support allowing Workgroup discretion up to \$500,000.00.

**** Motion to rely on Workgroup discretion for reallocation of funds among the existing project list up to a \$500,000.00 maximum, should a project drop out. Over \$500,000.00, the Workgroup must make a recommendation to RAC. Further RAC discussion followed prior to formal vote.**

- Request for an explanation of timing of potential project drop?
 - If a project proponent drops out during application preparation, it will mean an emergency RAC meeting is scheduled or a vote is taken via email.
- Request for clarification – If a project drops out that is under \$500,000.00, the Workgroup makes the decision of how to reappropriate the funds within the current

Appendix 1-3: IRWM Project Selection

funding package; if it is more than \$500,000.00, the Workgroup will make a recommendation to the RAC for approval?

- Yes, that is correct.
- Request for clarification – Is this policy decision just for the Round 1 funding cycle?
 - Yes, that is correct.
 - The next round of funding will be tethered to the IRWM Plan Update planned for 2011 and 2012.

**** Motion to take a vote was seconded and carried.**

**** Approval of the Reallocation Policy was unanimous – 15 in favor with 1 abstention (non-voting member).**

For Possible Additional Funds (Beyond \$7.9 Million)

Ms. Kathy Flannery and Ms. Rosalyn Stewart explained that DWR could have extra money to distribute if all the IRWM Regions within the State are not able to submit an application. Ms. Stewart explained that it would be best if the San Diego Region were to preemptively explain in the grant application to be submitted in January that San Diego has a plan to use any extra funds available. Ms. Flannery asked the RAC to consider what process would be used to determine what should be done with any extra funding available from DWR.

RAC Discussion:

- Suggestion to reopen project submittal via online database to allow additional projects for consideration. Some project sponsors did not submit projects due to the limited \$7.9 million advertised as available.
 - Opposition voiced regarding opening of another Call for Projects.
- Would preemptive action be necessary to receive additional funds from DWR?
 - Unclear. DWR's proposal solicitation package is unclear how to address the potential additional funds within the grant application.
- Suggestion to include unspecific statement in grant application about San Diego Region's need for additional grant funds for many good projects.
 - We should keep it vague, so we can reassess if and when an offer of additional funds is made.
 - Yes, just be clear that we have a number of projects that can use funds.
 - We want a general statement that if there is money available, we are interested and ready. We should not include a recommended list of for additional funding.
- We could also indicate that we reduced each projects' grant request submitted in the proposal and those projects should be made whole.

**** Motion to include a general statement that the San Diego Region would be ready to identify additional projects and/or make the recommended funding package whole, should additional funding be made available. Further RAC discussion and public comment followed prior to formal vote.**

Appendix 1-3: IRWM Project Selection

- We must be clear that the projects' scope and budgets were reduced, but that San Diego is very confident that the projects will be successful. We should convey the message that the projects are stellar. Sometimes when funding is reduced, the job cannot get done, so we do not want DWR to think this will happen in San Diego.

**** Amendment to motion: Strike mention of scope/budget reductions in current funding package and intent to make those projects whole.**

- Reminder that \$71 million is assured for the San Diego Region through Proposition 84, but it is not wise to leave money on the table. The State has had cash flow problems in recent years and that may be an ongoing concern.
- A lot of this depends on the amount of additional money DWR has available to distribute. Remember that the money will go to our Funding Area and then be divided per our MOU.

Public Comments:

- Project proponents would like to see new projects funded if more money becomes available during Round 1.

**** New Motion to include the following statement in the Implementation Grant Application: Should additional funding be made available from DWR through Prop 84-Round 1, the San Diego IRWM region is confident that we can identify and provide detailed information on new projects not included herein or expanded scope of existing proposed projects for that funding.**

**** Approval of the proposed statement was unanimous – 15 in favor with 1 abstention (non-voting member).**

Administrative Question

Question was posed to the RAC as to whether the RAC would allow administration fees up to 5%, with 3% going to the SDCWA for overall grant administration and coordination and 2% going to the project sponsor.

**** Motion to limit administration fees to 5%, with 3% going to the SDCWA for overall grant administration and 2% going to the project sponsor. Motion carried.**

Next RAC Meeting

The next RAC meeting will be held on Wednesday December 1, 2010 from 9:00am to 11:30am at SDCWA's Board Room.

Public Comments

No additional comments.

